

## Form No. MR-3

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST, MARCH, 2017.**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
KKALPANA INDUSTRIES (INDIA) LIMITED  
KOLKATA - 700071

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KKALPANA INDUSTRIES (INDIA) LIMITED. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31ST, March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by KKALPANA INDUSTRIES (INDIA) LIMITED ("the Company") for the financial year ended on 31ST, March, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not applicable, since the company has not raised share capital during the year.**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 

**Not applicable, since the company has not issued shares as per (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 during the year.**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 

**Not applicable, since the company has not issued any debt securities as per (Issue and Listing of Debt Securities) Regulations, 2008;**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and  
**Not applicable, since the company has not applied for delisting of its shares from any stock exchange during the year.**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;  
**Not applicable, since the company has not bought back of shares during the year**

(vi) Other specifically applicable laws to the Company.

(a) Water(Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981.

(b) Factories License under Factories Act, 1948 for its units situated in different places.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India, and

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

(1) The company has not spent the balance amount of Rs. 2.74 lakhs out of Rs. 66.61 lacs, which is the two percent of the average net profits made during three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy, pursuant to Sec. 135(5) of the Companies Act, 2013.

#### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** the company had issued Postal Ballot Notice, pursuant to Section 110 of the Companies Act, 2013 and Rule 22 of Companies (Management and Administration), Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on 9th March, 2017 to seek the consent of members in the following matters:

- (i) Recalling of Special Resolution passed by members through postal ballot voting the result whereof was declared on 23rd December, 2015, in connection with shifting of registered office from the state of West Bengal to the Union Territory of Dadra and Nagar Haveli, pursuant to Section 12 and 13 of the Companies Act, 2013
- (ii) Recalling of Special Resolution passed by members through postal ballot voting, the result whereof was declared on 23rd December, 2015, in connection with sell/transfer of the Unit situated at Falta Special Economic Zone (SEZ), Plot No. 29, Sector-1, Falta, 24 Paraganas (S), West Bengal, pursuant to Section 180(1)(a).
- (iii) Special Resolution for conversion of loan into Equity in case of default in repayment of loan, pursuant to section 62(3) of the Companies Act, 2013.

The aforesaid proposed resolutions were passed as per result declared by the Company on 26th April, 2017.

Place: KOLKATA

Date : 30.05.2017

ASHOK KUMAR DAGA

FCS No.2699 , C P No: 2948